

**TOWN OF TUPELO
COAL COUNTY, OKLAHOMA**

**INDEPENDENT ACCOUNTANT'S REPORT
AGREED UPON PROCEDURES
ON
COMPILED FINANCIAL STATEMENTS**

FISCAL YEAR ENDED

JUNE 30, 2021

*WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA*

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**TOWN OF TUPELO
COAL COUNTY, OKLAHOMA
TOWN COUNCIL AND OFFICERS**

**Nellie Hunter
David Fowler**

**Mayor
Council Member**

**Kallie D'Aguanno
Frank Stout**

**Town Clerk/Treasurer
Town Attorney**

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON
ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT**

Independent Accountant's Report

To the Specified Users of the Report:

Town Board, Town of Tupelo
Tupelo, Oklahoma

Trustees of the Tupelo Public Works Authority
Tupelo, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Report on Applying Agreed-Upon Procedures

I have performed the procedures enumerated below which were agreed to by the specified users of the report as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Utility Authority in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2021. Management of the Town of Tupelo and the Tupelo Public Works Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed in Oklahoma Statutes §11-17.105-.107 and §60-180.1-.3. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

A Professional Services Firm
American Institute of CPAs / Oklahoma Society of CPAs

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
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ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT
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Procedures and Findings

As to the Town of Tupelo as of and for the fiscal year ended June 30, 2021:

1. Procedures Performed: From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: None

2. Procedures Performed: From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund (see accompanying Exhibit B) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: Budget was approved by the Town, however, no budget was found on the Oklahoma State Auditor's web site "sai.ok.gov". (Repeat Finding)

3. Procedures Performed: We agreed the Town's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared. The Town has the responsibility to obtain collateral from the bank when deposits exceed \$250,000.

Findings: None

4. Procedures Performed: We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: None

5. Procedures Performed: We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: None

6. Procedures Performed: We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: None

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7. Procedures Performed: We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: None

As to the **Tupelo Public Works Authority**, as of and for the fiscal year ended June 30, 2021:

1.Procedures Performed: From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit C) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

Findings: None

2. Procedures Performed: We agreed the Authority's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: None

3.Procedures Performed: We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: None

4. Procedures Performed: We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: None

5. Procedures Performed: We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: None

6. Procedures Performed: We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: None

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
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As to the **Town of Tupelo and Public Works Grant Programs**, as of and for the fiscal year ended June 30, 2021:

1. Procedures Performed: From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit D) (omitted) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: None – No grants accounted for

I was not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had I performed additional procedures; other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

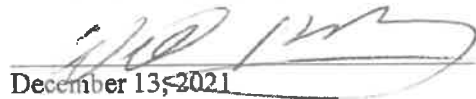

December 13, 2021

Exhibit A
Town of Tupelo
And
Tupelo Public Works Authority
Summary of Changes in Fund Balances-Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Revenue</u>	<u>Current Year Expenditures</u>	<u>End of Year Fund Balances</u>
TOWN:				
General Fund:				
Operating Account	\$ 198,380	\$ 159,033	\$ 140,864	216,549.62
Police Department Fund:				
Police Department-Police Fund	37,388	863	20,113	18,137.90
Police Department-Fines	3,413	123,843	100,503	26,752.69
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Police Fund	40,801	124,706	120,616	44,890.59
Senior Citizens Community Center	7,393	1,736	3,884	5,245.54
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Fund	246,574	285,475	265,363	266,685.75
Street & Alley Fund	9,648	13,716	19,037	4,327.45
4th of July Fund	3,354	8,990	3,740	8,603.55
Home Grant Fund	135	-	-	135.00
Town Subtotal	<u>259,711</u>	<u>308,181</u>	<u>288,141</u>	<u>279,752</u>
PUBLIC WORKS AUTHORITY:				
PWA Revenue Fund	54,269	248,962	224,579	78,652.25
PWA Emergency Fund	33,460	22,934	22,900	33,494.78
PWA Meter Fund	7,885	3,705	2,213	9,376.40
PWA Meter Fund-Due to Depositors	(7,885)	3,705	2,213	(9,376.40)
PWA Capital Asset Fund				
Land	2,011	-	-	2,011.00
Depreciable Capital Assets, net	241,228	-	-	241,228.29
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
PWA Subtotal	<u>330,968</u>	<u>279,306</u>	<u>251,905</u>	<u>355,386.32</u>
Overall Totals	<u><u>\$ 590,679</u></u>	<u><u>\$ 587,488</u></u>	<u><u>\$ 540,046</u></u>	<u><u>635,138.07</u></u>

See Accompanying Accountant's Report

Exhibit B
Town of Tupelo
Budgetary Comparison Schedule General Fund-Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 242,800	\$ 242,800	\$ 246,574	\$ 3,774
Resources (Inflows):				
Taxes:				
Sales Tax	54,000	54,000	54,055	55
Franchise Tax	-	-	5,802	5,802
Tobacco Tax	500	500	486	(14)
Total Taxes	54,500	54,500	60,342	5,842
Intergovernmental:				
Motor Vehicle Tax - Street & Alley	-	-	-	-
Alcoholic Beverage Tax	13,000	13,000	10,938	(2,062)
Gas Excise Tax - Street & Alley	500	500	-	(500)
Grant Revenue	24,000	24,000	23,355	(645)
Total Intergovernmental	37,500	37,500	34,293	(3,207)
Investment Income	200	200	218	18
Miscellaneous Income				
Other receipts	90,088	90,088	65,916	(24,172)
Police Fines	125,500	125,500	124,706	(794)
Vending	-	-	-	-
	215,588	215,588	190,622	(24,967)
Other Financing Sources:				
Transfer from Other Funds	-	-	-	-
Total Resources	307,788	307,788	285,475	(22,313)
Amounts Available for Appropriation	550,588	550,588	532,049	(18,539)
Charges to Appropriations (Outflows):				
Town/Clerk Budget				
Personnel Services	112,720	112,720	50,067	(62,653)
Maintenance and Operations	39,913	39,913	74,282	34,370
Capital Outlay	-	-	-	-
	152,633	152,633	124,349	(28,284)
Town/Police Budget				
Personnel Services	60,308	60,308	52,300	(8,008)
Maintenance and Operations	72,568	72,568	70,296	(2,272)
Capital Outlay	-	-	-	-
	132,876	132,876	122,596	(10,280)
Other Financing Uses:				
Transfers to other funds	18,000	18,000	18,419	419
Transfers to other governments	-	-	-	-
Total Charges to Appropriations	303,508	303,508	265,363	(38,145)
Ending Budgetary Fund Balance	\$ 247,080	\$ 247,080	\$ 266,686	\$ 19,606

See Accompanying Accountant's Report

Exhibit C
Tupelo Public Works Authority
Statement of Revenues, Expenses and Changes in Fund Balance-Modified Cash Basis
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Operating Revenues:				
Charges for Services:				
Water and Trash Receipts	\$ 235,750	\$ 235,750	\$ 198,962	\$ 36,788
Penalties and Charges	-	-	-	-
Total Operating Revenues	235,750	235,750	198,962	36,788
Operating Expenses:				
Salaries and other personnel costs	28,000	28,000	35,811	(7,811)
Contract Trash Collections	25,000	25,000	22,963	2,037
Water Purchases	81,000	81,000	80,196	804
Utilities & Telephone	5,350	5,350	4,787	563
Repairs and Maintenance	20,000	20,000	22,276	(2,276)
Supplies and Parts	16,820	16,820	2,517	14,303
Bank Fees	-	-	-	-
Lease expense	200	200	180	20
Returned Checks	500	500	494	6
Professional Fees	1,220	1,220	1,217	3
Insurance	-	-	1,271	(1,271)
Miscellaneous	27,560	27,560	2,926	24,634
Depreciation	-	-	-	-
Total Operating Expenses:	205,650	205,650	174,638	31,012
Operating Income	30,100	30,100	24,324	5,776
Non-Operating Revenue (Expenses):				
Investment Income	100	100	109	(9)
Debt Service	-	-	-	-
Other - Grant Receipts	49,350	49,350	50,000	(650)
Miscellaneous-Grant	(49,350)	(49,350)	(50,015)	665
Total Non-Operating Revenues (Expenses)	100	100	94	6
Net Income (Loss) Before Contributions and	30,200	30,200	24,418	5,782
Capital Contributions				
Transfers In	-	-	-	-
Transfers Out	(30,000)	(30,000)	-	(30,000)
Change in Fund Balance	200	200	24,418	(24,218)
Fund Balance - Beginning	64,500	64,500	330,968	(266,468)
Fund Balance - Ending	\$ 64,700	\$ 64,700	\$ 355,386	\$ (290,686)

See Accompanying Accountant's Report

EXHIBIT D
Town of Tupelo
Coal County, Oklahoma
Schedule of Grant Activity
For Year Ended June 30, 2021

	<u>Grant Award</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Remainder</u>
TOWN:				
Cares Act Funding	-	23,355	23,355	-
Town Subtotal	<u>-</u>	<u>23,355</u>	<u>23,355</u>	<u>-</u>
PUBLIC WORKS AUTHORITY:				
Sewer Lagoon	50,000	50,000	50,000	-
	-	-	-	-
PWA Subtotal	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Overall Totals	<u>\$ 50,000</u>	<u>\$ 73,355</u>	<u>\$ 73,355</u>	<u>\$ -</u>

See Accompanying Accountant's Report